

FISCAL NOTE

HB 1500 - SB 1750

March 8, 2001

SUMMARY OF BILL:

- Requires the Department of Environment and Conservation to establish within the Solid Waste Management Fund a separate rural water supply account to provide municipalities with financial assistance for extending public water supply services to rural areas. The account shall consist of a portion of the monies appropriated to the Solid Waste Management Fund by the General Assembly or that may be available from other sources including, but not limited to, grants, interest earned from monies in the fund, public or private gifts, and federal matching funds.
- Provides that the department may make advances or repayable grants from the account to any county, municipality or to counties and municipalities acting jointly as a regional water authority for the purpose of providing public water to rural areas that do not have an adequate supply of public water. The account may be used for advanced planning and engineering work necessary or desirable for the development of a comprehensive plan for a regional water supply system. The department may not make advances without reviewing the applications as to whether certain conditions have been met.
- Creates a special joint committee to study rural water distribution systems, and any other rural water-related environmental, economic, or health-related issues the committee deems necessary if funds cannot be found in the current fiscal year to implement the provisions of the bill. The committee shall consist of 3 members each of the House of Representatives and Senate to be appointed by the respective speakers. The committee shall timely report its findings and recommendations to the 103rd General Assembly no later than February 1, 2003.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$51,500 Recurring
\$6,600 One-Time**

Other Fiscal Impact - Redirects funds from the Solid Waste Management Fund to the Rural Water Supply Account. The amount of funds redirected cannot be determined but is estimated to exceed \$100,000.

Increase Local Govt. Revenues - Exceeds \$100,000

Increase Local Govt. Expenditures- Exceeds \$100,000

Estimate assumes:

- a need for one position and related expenses in the Department of Environment and Conservation to administer the provisions of this bill.
- a redirection of revenues from the solid waste management to the special account for grants to local governments.
- an increase in local government revenues and a corresponding increase in local government expenditures to the extent that local governments are awarded grants and utilize such grant funds to expand or upgrade water supply systems.
- in the event the provisions of the bill are not funded and a study committee is created, the cost for such committee is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

